



PHILIP MORRIS U.S.A.

**We want you to know
where we stand.**

**The information you
requested is enclosed.**

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We appreciate your request to learn more from Philip Morris about "Where we stand" on various smoking issues. In fact, just by responding to our offer for this booklet, ~~fact~~ ^{phlet} you have confirmed what people have told us time and again -- that facts ^{do} matter.

Tobacco companies such as Philip Morris have always had their critics. In recent years, however, attacks on smokers and tobacco companies have become so commonplace it's hard to imagine what it was like before the smoking bans, cigarette taxes and other unreasonable marketing and advertising restrictions that are so prevalent today were implemented.

The result? Almost 50 million Americans who choose to smoke have seen their rights challenged as never before.

At Philip Morris, we believe that issues related to smoking are important to everyone -- smokers and non-smokers alike. That's why the positions we advocate on these issues are based on fact, ~~with~~ some common sense thrown in for good measure. and hopefully with

We invite you to read the following information to learn -- issue by issue, word by word -- where we stand and the facts that stand behind our positions.

Then make up your own mind.

SMOKING ISSUES

A dialogue on personal choices,
tolerance and compromise

For additional information
on these issues, we invite
you to contact the Philip Morris
Corporate Affairs Department at 1-800-343-0975.

use
booklet

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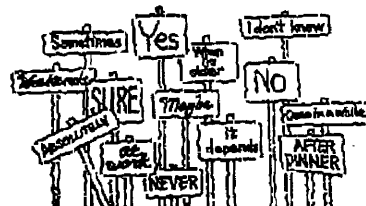
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EM has
the dummy
nailer. Please have a
review & copy to
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**We want you to know
where we stand.**

Our position, word by word.

Choice



To smoke or not to smoke. In this country, almost 50 million people choose to smoke.

A great many others choose not to.

At Philip Morris, we believe people should be able to make the choice they feel is right for them.

Of course, as a tobacco company, we support those who choose to smoke.

But we also respect the decisions of those who choose not to smoke.

The important thing is that no matter what people decide, they have a right to their individual choice.

(For more information about this subject, please turn this page.)

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We want you to know where we stand.

Facts Matter In a poll reported in TIME magazine, 73% of respondents said that every one should have the right to make their own choice whether to smoke.

Old version
of ad is

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Freedom to Choose

Most Americans support the right of individuals to choose, ~~even when they disagree with the specific choices other people make.~~ The freedom to choose is fundamental to being an American.

A minority of Americans, including some government officials, don't think adults should have ~~a right to~~ ^{the right} choose for themselves whether or not to smoke. At Philip Morris, we stand with the majority who believe in the freedom ~~to choose.~~ ^{of choice.}

We believe ~~fully~~ ^{or the smoking issue} informed adults should be able to make their own decision about smoking just as responsibly as they would any other decision. There is a wealth of information available to consumers. Individuals should learn the facts, weigh the information and make up their minds for themselves — just as they do for every other decision they make about their personal lives and lifestyles.

There is ~~even~~ ^{also} a role for government in the decision-making process. That is to provide responsible information, ~~to add to the many~~ ^{from} other sources of information about smoking, ~~on~~ which adults decide whether or not to smoke.

That's the American way. And the majority of Americans don't want to change it.

that can be
added

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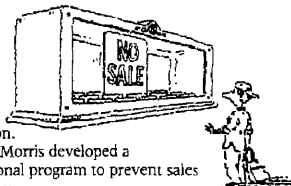


**We want you to know
where we stand.**

Our position, word by word.

Minors

No one should
be allowed to sell
cigarettes to minors.
Minors should not
smoke. Period.



That is our position.

That's why Philip Morris developed a
comprehensive national program to prevent sales
of cigarettes to minors.

The program, called "It's The Law," reiterates to retailers
and to their employees that it is illegal to sell cigarettes
to minors.

We all have a role to play in this effort: Educators.
Lawmakers. Parents. Communities. And, of course, the
tobacco industry.

At Philip Morris, we will continue to work with our retail-
ers on this important issue.

(For more information about this subject, please turn ~~the~~ page.)

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We want you to know where we stand.

Facts Matter Philip Morris has taken legal action more than 1,800 times in cases where our tobacco brand logos were used illegally, often on products intended for use by minors.

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We don't want minors to smoke. Period.

dictates should be

There are many activities that society ~~has~~ reserved for adults, and Philip Morris believes that smoking is one of them. We do not market our products to minors because we don't want minors to smoke. Period.

But don't judge us by our words, judge us by our actions.

Contrary to what you may hear from critics, our marketing, promotion and sampling efforts are designed to maintain the loyalty of adult smokers of our brands, as well as to encourage adult smokers of competitive brands to switch.

As far back as 1964 we announced that we would not advertise cigarettes in youth publications or even in college newspapers, even though most college students are 18 years of age or older.

All models appearing in our advertising must be—and must look—at least 25 years of age. We insist on signed certification that an individual is both 21 years of age or older and a smoker in order to be eligible to receive promotional materials from us.

But we recognize that if we are to be true to our word, that *ital* we don't want minors to smoke, we must address the issue of access to the product by minors *to make sure that a legal product is not sold illegally.* So, we have strongly supported legislative initiatives in all 50 states that establish minimum age requirements for the sale of cigarettes.

It's the Law!

Because Philip Morris does not sell cigarettes to the public, we must rely upon those who do—retailers and vending machine operators—to obey local laws and restrict sales of tobacco products to minors.

To further demonstrate our commitment to prevent cigarette sales to minors, we created the "It's the Law" program, *to encourage which encourages* enforcement of the minimum age requirements that we've worked so hard to *pass into law* put on the books. "It's the Law" provides retailers, free of charge, the following tools they need to enforce these laws *effectively* successfully.

Too much space.

- Information outlining each state's age and licensing requirements, where applicable, for the sale of cigarettes, including penalties for sales to minors.

- Educational materials instructing retail employees how to verify purchaser's ages and enforce minimum age laws.

- A selection of the familiar "It's the Law" decals for posting on windows, displays and cash registers. The use of these *signs* *tell* *signifies* ~~signs~~ *signifies* the public that retailers and the tobacco industry are working together to ~~ensure that minors will not be permitted to purchase cigarettes.~~ *prevent minors from obtaining cigarettes.*

Philip Morris believes that the decision to smoke can be made only by adults. We are doing everything we can to prevent minors from having access to cigarettes, and we encourage all groups concerned with the issue of youth and smoking to do their part.

our products

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PHILIP MORRIS U.S.A.

**We want you to know
where we stand.**

Our position, word by word.

Smokers

Today, the nearly 50 million Americans who choose to smoke find themselves under personal attack.

At Philip Morris, we believe that smokers, like everyone else in this country, have the right to make a personal choice.

But we also believe that there should be guidelines to accommodate the rights of both smokers and nonsmokers. The rights of one group should not supersede the rights of the other.

As it turns out, a majority of Americans share this view.

According to a recent USA TODAY/CNN poll, nearly 7 out of every 10 respondents, both smokers and nonsmokers, believe that there should be separate, designated smoking areas instead of outright bans.

That's why we support the creation of smoking and non-smoking areas-- which take into account the rights and preferences of nonsmokers and smokers alike.

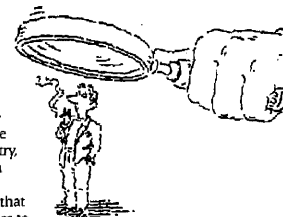
(For more information about this subject, please turn ~~this~~ ^{the} page.)



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We want you to know where we stand.

Facts Matter In the same poll mentioned above, nearly 9 of every 10 respondents said they are opposed to making smoking illegal in the United States.



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Smokers' Rights

Despite what anti smoking activists say, the majority of Americans do not support bans or prohibition.

Only 12% of Americans say that the government should regulate smoking. To put that in perspective, 10% say the government should regulate sexual behavior, while 69% say the government has the right to regulate how fast a person drives.

At Philip Morris, we're with the majority. Our position on smokers is:

- Cigarette smoking should be a matter of adult choice, not law;
- All smokers should be courteous of the rights of all non-smokers;
- Minors should be denied access to tobacco products.
- Accommodation of smokers and non-smokers is the best policy.

Smoking issues are of concern to all Americans, non-smokers and smokers alike, because they involve respect for the rights of both non-smokers and smokers. We believe that in a free, tolerant society both groups can be fairly and reasonably accommodated.

Should we
provide citation?

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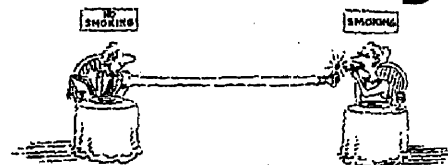
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**We want you to know
where we stand.**

Our position, word by word.

Courtesy



There are those who would have you believe that courtesy is a thing of the past — that smokers and nonsmokers have to be forced, through rules and regulations, to behave politely.

We say they're wrong.

At Philip Morris, we believe that common courtesy and mutual respect are still the best ways for people to resolve their differences.

By respecting each other's rights and preferences, both groups can easily work things out.

Smokers can ask before they light up.

And nonsmokers can recognize that smokers have a right to enjoy a cigarette — especially in separate, designated smoking areas.

That's it.

It shouldn't be a big problem. Not as long as we all recognize that, given a chance, people will prove that common courtesy still works.

(For more information about this subject, please turn ~~this~~ page.)

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We want you to know where we stand.

Facts Matter

In a recent USA TODAY/CNN poll among both smokers and nonsmokers, a majority of respondents said they would allow someone to smoke at their table in a restaurant.

© Philip Morris Inc. 1993

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Common Courtesy: Still in Style.

Common courtesy is still alive and well in this country. Phrases like "Please," "Excuse me" and "Would you mind..." are just as effective today as they ever were at helping adults resolve their differences.

At Philip Morris we firmly believe, ^{just} common courtesy is still the best way to resolve differences between smokers and non-smokers. By respecting one another's rights and preferences, individuals can work these things out without the need for government-imposed rules and regulations.

Think about it for a minute. Smokers no more want to bother anyone than most non-smokers want to deny smokers the pleasure of a cigarette. How many smokers address the issue of smoking with a "Do you mind if ...?" And if a smoker isn't aware his or her cigarette may be bothering someone, we'll bet the response to a polite "Would you mind ..." will be an equally polite, "Not at all."

And when separate, designated smoking and non-smoking areas have been created, everyone is even more at ease. It may surprise you to learn that smokers favor designated smoking areas even more strongly than do most non-smokers.

A little courtesy goes a long way.

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**We want you to know
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Our position, word by word.

Accommodation



Accommodation is the reasonable way for smokers and non-smokers to work out their differences.

That is our position at Philip Morris. And it turns out that most Americans share this view.

In a recent USA TODAY/CNN poll among both smokers and nonsmokers, nearly 7 out of 10 respondents said they think that rather than banning smoking in public places, smokers should be allowed to smoke in separate, designated areas.

Philip Morris has a program that helps owners of businesses, such as restaurants, bars and hotels, to accommodate the choices of both their smoking and nonsmoking customers by setting up designated smoking and nonsmoking areas.

The program works because it respects the rights and wishes of both groups. So both get what they want.

That's accommodation.

You could also call it a win-win situation.

(For more information about this subject, please turn ~~this~~ page.)

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We want you to know where we stand.

Facts Matter

Businesses where smoking has been banned have reported, in some cases, up to a 30% loss in sales. Some restaurants have even been forced to close down.

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Accommodation: A win-win situation.

At Philip Morris, we believe that the majority of Americans are inherently fair—that they're more than willing to accommodate the preferences of others whose views on smoking differ from their own.

While we acknowledge that smoking may be annoying to some people, we, like an overwhelming majority of Americans, favor accommodation.

A recent USA Today/CNN survey shows that more than six in ten Americans favor setting aside areas where people can smoke in public places such as hotels and restaurants. It is important to note that these statistics have not changed significantly over the past 10 years. In fact, 78% of Americans favor designated smoking areas or unrestricted areas in hotels and motels, 67% for the workplace and 61% for restaurants.

Yet a small, but vocal, minority continues to advocate the view that the only way to accommodate non-smokers is to enact laws banning smoking altogether.

Accommodation. It's more than an attitude.

To prove that accommodation can work for everyone, Philip Morris Incorporated developed The Accommodation Program. It helps hotels, restaurants, bowling centers, malls and other businesses ensure that the rights and wishes of non-smokers and smokers alike are respected. More than 12,000 businesses and 35 hospitality organizations across the United States participate in and support the program.

The Accommodation Program provides welcome signs, employee training materials, technical bulletins on ventilation, and a comprehensive "Source Book" with details on how to create separate areas to effectively accommodate both non-smokers and smokers.

Accommodation satisfies the preferences and respects the rights of non-smokers, smokers and the business owners who could end up with substantial losses when bans are imposed.

The high cost of smoking bans.

The high cost of smoking bans is not theoretical. Hundreds of business owners around the country have already been adversely affected.

A recently-imposed ban in Los Angeles is costing restaurant owners an average of \$11,000 a month, causing layoffs in one out of six establishments. Drink and dessert sales, particularly, have declined dramatically.

A restaurant chain in New Mexico thought a voluntary ban on smoking would increase business. Instead, the chain was forced to close four restaurants and layoff 100 employees. When a more accommodating program replaced the ban, business rebounded almost immediately.

When the city of Arlington, Texas, imposed a smoking ban, restaurants within the city limits lost up to 20% in sales. Restaurants temporarily exempted from the ordinance and those just outside the city limits reported up to a 40% increase in sales.

In San Luis Obispo, California, the imposition of a local ban cost one bowling center \$175,000 in annual sales.

Smoking bans create even more problems in locations that cater to foreign tourists, and could impact the success of the coming Olympic Games in Atlanta. Europeans and Asians consider smoking a perfectly acceptable social activity, and the news of smoking bans in the U.S. may cause our international guests to take their money to a more hospitable location.

The nearly 50 million adult Americans who choose to smoke will account for over \$69 billion in food service sales in 1994. They obviously would prefer not to spend their money in establishments that treat them like second-class citizens. In fact, more than 25 percent of a typical business's customers are smokers; it's simply good business sense to accommodate their needs in a way that does not offend non-smoking customers.

Look for the welcoming signage of the Accommodation Program when you go out. And encourage your favorite local businesses to adopt ideas and practices that accommodate everyone.

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**We want you to know
where we stand.**

Our position, word by word.

Secondhand Smoke

STET
The Environmental Protection Agency's report declaring secondhand smoke a ~~class~~ A carcinogen has raised concerns among many people — smokers and nonsmokers alike.

But serious questions remain as to the validity of the report.

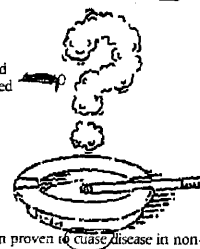
At Philip Morris, we believe the EPA disregarded established scientific methods to arrive at their conclusion. And we believe that

secondhand smoke has not been proven to cause disease in non-smokers.

Of course, you might expect a tobacco company to take this position. But, in fact, many authoritative sources have questioned the conclusion of the EPA report.

To reach your own conclusion about secondhand smoke, you need to know not only what we have to say, but what others have said as well.

To this end, we would like to send you some important information which has not been widely reported by the media. It should help you make up your own mind on this complex subject. (For more information about this issue, please turn this page.)



We want you to know where we stand.

Facts Matter Of all 11 U.S. studies the EPA used to arrive at its conclusion, not one originally reported an overall statistically significant link between secondhand smoke and lung cancer.

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Shoots

Secondhand Smoke: Science and Political Science.

Smokers should respect the fact that some non-smokers simply do not want to be near secondhand smoke. But is secondhand smoke actually harmful?

When the U.S. Environmental Protection Agency (EPA) issued a report in 1993 declaring secondhand smoke to a group-A carcinogen, smokers and non-smokers alike were, quite understandably, concerned ^{and} ~~or even~~ alarmed.

Smokers and non-smokers should know, however, that serious questions have been raised about the validity of that report, and not just by Philip Morris and others in the tobacco industry. We believe secondhand smoke has not been scientifically proven to cause disease in non-smokers, and the EPA has done the public a disservice with its report. Here's why:

It may surprise you to learn that the EPA conducted no research of its own. Instead, it selectively reviewed and statistically analyzed 30 studies done by others, while ignoring other studies that did not support the ^{agency's} ~~EPA's~~ pre-determined conclusion. In fact, of the 30 studies the EPA chose to review, 24 showed no statistically significant relationship between environmental tobacco smoke and ^{lung} ~~lung~~ cancer in non-smokers. The EPA also failed to take into account other important factors such as diet and environmental concerns.

The EPA ^{deliberately} ~~deliberately~~ chose not to include in its report one of the largest studies ever conducted on the issue. That

study, funded in part by the National Cancer Institute, reported no overall statistically significant increased risk of lung cancer

among non-smoking spouses of smokers. In the end, even with carefully selected studies, the EPA had to change the rules and disregard established scientific methods to reach its conclusion.

It also may surprise you to learn that the EPA report did not evaluate any studies on workplace smoking or smoking in social situations, despite what has been reported.

Most people learned about the EPA report through the media, and had no reason to question the reporting on the secondhand smoke issue. Some observers, however, looked a little more deeply into the issue.

Forbes MediaCritic reported that "almost without exception, the coverage has been one-sided, credulous and superficial. Even before the EPA released its report, journalists were quick to accept the claim that secondhand smoke kills. ...In so doing, not only have they exaggerated what is known about the effects of (secondhand smoke), but they have missed an important story about the corruption of science by the political crusade against smoking." (We have included reprints of ~~two~~ ^{three} other articles that report other perspectives on the secondhand smoke issue.)

We have said there is a role for government in the debate over smoking, and that is to provide responsible information to add to information from other sources so adults can make informed decisions. The EPA has done the public a disservice by producing a report riddled with inconsistencies, inaccuracies and bad science. Philip Morris feels so strongly about this that we have joined other industry groups in a federal lawsuit to declare the EPA's report null and void.

We hope this additional information will help you make ^{up} ~~up~~ your own mind.

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Proven
Scientifically

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underline or italics

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**The Other Side Of The Story
About Secondhand Smoke.**

and

Although it has not been widely reported, scientists, journalists, other observers have ~~have~~ raised serious questions about the EPA's use of science in the case of secondhand smoke. We hope the attached articles help you understand this issue better — especially how the EPA manipulated science to serve a political cause.